

Remarks

In reply to the above-identified Final Office Action, Applicants seek reconsideration thereof. Because this Reply is filed within two months of the mailing of the Final Office Action, Applicants request an Advisory Action, if necessary. In this reply, Applicants do not amend, cancel, or add any claims. Accordingly, claims 1-21 are now pending.

I. Claims Rejected Under 35 U.S.C. § 102

The Examiner rejects claims 1-21 under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent Application No. 2002/0198806 filed by Blagg, et al. ("Blagg"). Applicants respectfully traverse the rejection. In making the rejection, the Examiner characterizes Blagg as showing each of the elements of claim 1. See Paper No. 12102004, pages 2-3 (citing Blagg, page 6, ¶¶ [0059]-[0062]; page 7, ¶ [0073] – page 8, ¶ [0077]; page 9, ¶ [0087] – page 10, ¶ [0093]; and page 11, ¶ [0106] – page 12, ¶ [0110]). Applicants have read Blagg in its entirety and respectfully disagree with the Examiner's characterization of Blagg.

Blagg teaches "systems and methods for accessing and controlling use of one, or a group of financial products." Blagg, page 1, ¶ [0002]. Furthermore, the systems and methods in Blagg provide "an account group where the account group includes a dependent account that is associated with at least one usage parameter." Blagg, page 1, ¶ [0008]. Paragraph [0087] on page 9 of Blagg illustrates the relationship between the group account credit limit and the credit limit of any dependent account. In its entirety, paragraph [0087] reads:

Depending upon the authorization procedure(s) and/or option(s) selected or defined, authorization processing uses the group credit line and the group available credit and/or the dependent credit line and the dependent available credit. The group credit line is a group parameter that typically is set when the group is created. The dependent credit line is a dependent account parameter that is set when the dependent account is opened. The group credit line and the dependent credit line can be modified. The group available credit can be calculated in real time using activity from the key account (if any) and any dependent accounts that share the group credit line. In some cases, a dependent account is considered to share the group credit line if payment for the dependent account is due from the primary owner of the group to which the dependent account is a member. In various embodiments, the group available credit is calculated by subtracting the current balances and any outstanding authorizations of the accounts that are associated with

the group. Similarly, the dependent available credit is calculated by subtracting the current balance and any outstanding authorizations of the dependent account from the dependent credit line.

Therefore, Blagg teaches "dependent accounts that share the group credit line". This, at best, suggests that the group account and any dependent accounts have access to the same amount of credit. In other words, if the group credit line is, for example, \$5000, the credit line of the group account and any dependent accounts must equal a total of \$5000. By contrast, the method of claim 1 comprises establishing a subsidiary account, wherein the subsidiary account is configured to consume at least part of said spending capacity to facilitate payment for a transaction, "reducing... said parent spending power by an amount less than said subsidiary spending capacity". By way of example, Applicants' specification states:

For example, an original spending power of a parent account 315 set at \$9500 may be reduced to \$9000 when an administrator 330 issues a subsidiary card account 332 linked to the parent account 315, but the subsidiary card account 332 will have a spending capacity of \$1000. In this case, the original spending power of the parent account 315 is decreased by \$500 while the administrator assumes \$500 of risk. Specification, page 38, line 31 – page 39, line 2.

Thus, Blagg fails to teach at least the elements of "reducing, at said host computer, said parent spending power by an amount less than said subsidiary spending capacity" as recited in claim 1 because Blagg only teaches a group account and dependent accounts sharing the same credit line.

The failure of Blagg to teach every element of claim 1 is fatal to the anticipation rejection. Therefore, claim 1 is not anticipated by Blagg. Accordingly, Applicants respectfully request withdrawal of the rejection of claim 1.

Claims 2-10 each directly or indirectly depend from claim 1 and contain all of the elements thereof. Therefore, Applicants respectfully submit claims 2-10 are not anticipated by Blagg at least for the same reasons as claim 1, in addition to their own respective features. Accordingly, Applicants respectfully request withdrawal of the rejection of claims 2-10.

Regarding claim 11, Applicants submit the discussion above regarding Blagg is applicable to similar elements recited in claim 11, namely, "affect said spending limit by an amount less than said subsidiary spending capacity". Thus, Blagg fails to teach each of the

elements of claim 11, and, therefore, cannot anticipate claim 11. Accordingly, Applicant respectfully requests withdrawal of the rejection of claim 11.

Regarding claim 12, Applicants submit the discussion above regarding Blagg is applicable to similar elements recited in claim 12, namely, "reducing said parent spending power by an amount less than said subsidiary spending capacity". Thus, Blagg fails to teach each of the elements of claim 12, and, therefore, cannot anticipate claim 12. Accordingly, Applicant respectfully requests withdrawal of the rejection of claim 12.

Claims 13-21 each directly or indirectly depend from claim 12 and contain all of the elements thereof. Therefore, Applicants respectfully submit claims 13-21 are not anticipated by Blagg at least for the same reasons as claim 1, in addition to their own respective features. Accordingly, Applicants respectfully request withdrawal of the rejection of claims 13-21.

II. Miscellaneous

The Examiner claims that Applicants' amendments in their Reply to Office Action dated September 30, 2004 necessitated new grounds of rejection and, accordingly, made the present Office Action Final. Applicants respectfully traverse the finality of the present Office Action.

Applicants' amendments in their Reply to Office Action dated September 30, 2004 addressed drawing rejections, specification rejections, and 35 U.S.C. § 101 rejections. Applicants submitted, and continue to submit, that the references cited by the Examiner do not teach the elements of "reducing, at said host computer, said parent spending power by an amount less than said subsidiary spending capacity" as recited in the claims. These elements were not amended in Applicants' Reply to Office Action dated September 30, 2004. As such, Applicants respectfully request withdrawal of the finality of the Office Action in view of the Examiner's presentation of a new reference, and in accordance with MPEP § 706.07(a), paragraph 2.

CONCLUSION

In view of the foregoing, it is believed that all claims now pending are in condition for allowance. A Notice of Allowance is earnestly solicited at the earliest possible date. If the Examiner believes that a telephone conference would be useful in moving the application forward to allowance, the Examiner is encouraged to contact the undersigned at (602) 382-6389.

If necessary, the Commissioner is hereby authorized in this, concurrent and future replies, to charge payment or credit any overpayment to Deposit Account No. 19-2814 for any additional fees required under 37 C.F.R. §§ 1.16 or 1.17, particularly extension of time fees.

Respectfully submitted,

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